

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NORTH CAROLINA
RALEIGH DIVISION

FILED

FEB 15 2001

PEGGY B. DEANS, CLERK
U.S. BANKRUPTCY COURT
EASTERN DISTRICT OF N.C.

IN RE:

INTERNATIONAL HERITAGE, INC.

INTERNATIONAL HERITAGE,
INCORPORATED

Debtor.

CASE NO. 98-02675-5-ATS
CHAPTER 7
CASE NO. 98-02674-5-ATS

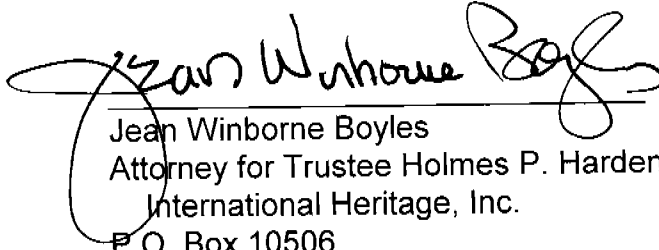
**MOTION FOR APPROVAL OF
COMPROMISE AND SETTLEMENT**

The Trustee in the above-captioned case, by and through Counsel, respectfully moves the Court pursuant to Bankruptcy Rule 6004 and 9019 for an Order Approving Compromise and Settlement between COECO of Raleigh and the Debtor. Based on the following:

1. Movant is the duly qualified and acting Trustee in the case.
2. The Trustee, through Counsel, has made demand upon COECO of Raleigh for certain property which it was holding as a deposit at the time of the filing of the case as well as for certain preference payments.
3. The Trustee also sold certain property of COECO of Raleigh and transferred the liens to the proceeds of sale.
4. After due negotiation between the representatives of COECO of Raleigh and the Trustee, COECO of Raleigh has offered to settle for a payment of \$4,263.06 with IHI if IHI will execute the Release and Settlement Agreement proposed by COECO of Raleigh in full satisfaction of all claims between COECO of Raleigh and the Debtor and releases COECO of Raleigh from any further claims from IHI.
5. There are disputes and the Trustee is satisfied that the offer of \$4,263.06 in full satisfaction and release of any claims which the Debtor has against COECO of Raleigh is a fair settlement between the parties for all claims between the parties and it is in the best interest of the Estate and should be approved by this Court.
6. COECO of Raleigh has tendered the \$4,263.06 to the Trustee and the Trustee is holding said payment pending Court approval.

WHEREFORE, the Trustee prays the Court enter an Order directing the Trustee to execute the attached Release and Settlement Agreement between COECO of Raleigh and IHI for consideration of \$4,263.06.

RESPECTFULLY SUBMITTED this the 15th day of February 2001


Jean Winborne Boyles
Attorney for Trustee Holmes P. Harden
International Heritage, Inc.
P.O. Box 10506
Raleigh, NC 27605-0506
919-881-9299
Fax: 919-881-9990
N.C. State Bar #5516

RELEASE AND SETTLEMENT AGREEMENT

Release and Settlement Agreement made and entered into by the Bankruptcy Estate of International Heritage, Inc. and Coeco of Raleigh, 115 West College Drive, Marshall, MN 56258, (hereinafter referred to as "Lessor"), regarding the Copy Management Agreement dated March 27, 1997.

- A. By Lease Agreement number 606966, Lessee leased from Lessor equipment detailed thereon. A copy of the Agreement is attached and made a part hereof.
- B. The lease was in default at the time International Heritage, Inc. filed Bankruptcy on November 25, 1998 (Case No. 98-02675-5-ATS). Holmes Harden was appointed Trustee and has asserted various claims against Lessor.
- C. That the parties herein desire to settle all claims of the Estate and to determine all obligations thereunder.

Therefore, in consideration of Four Thousand Two Hundred Forty and 00/100 Dollars (\$4,240.00) as full satisfaction of the Estate's claims under the Agreement, the Estate, for itself and its legal representatives and assigns, releases Lessor from claims, demands, and causes of action that the Estate had, has, or may have against Lessor or against their legal representatives based on the Agreement.

In addition, Lessor, its legal representatives and assigns, release the Estate from any and all claims, demands, and causes of action that it had, has or may have against Estate or its assigns, and legal representatives arising out of the herein referenced Agreement.

In witness whereof, Lessor and the Estate have executed this instrument on the date indicated below.

Coeco of Raleigh
("Lessor")

BY: Glenda Werkman

ITS: Sr Collection Analyst

DATED: 11/27/00

Bankruptcy Estate of International Heritage, Inc.
("Lessee")

BY: _____

Holmes Harden

ITS: Trustee

DATED: _____

RELEASE AND SETTLEMENT AGREEMENT

Release and Settlement Agreement made and entered into by the Bankruptcy Estate of International Heritage, Inc. and Coeco of Raleigh, 115 West College Drive, Marshall, MN 56258, (hereinafter referred to as "Lessor"), regarding the Copy Management Agreement dated March 27, 1997.

- A. By Lease Agreement number 606966, Lessee leased from Lessor equipment detailed thereon. A copy of the Agreement is attached and made a part hereof.
- B. The lease was in default at the time International Heritage, Inc. filed Bankruptcy on November 25, 1998 (Case No. 98-02675-5-ATS). Holmes Harden was appointed Trustee and has asserted various claims against Lessor.
- C. That the parties herein desire to settle all claims of the Estate and to determine all obligations thereunder.

Therefore, in consideration of Four Thousand Two Hundred Forty and 00/100 Dollars (\$4,240.00) as full satisfaction of the Estate's claims under the Agreement, the Estate, for itself and its legal representatives and assigns, releases Lessor from claims, demands, and causes of action that the Estate had, has, or may have against Lessor or against their legal representatives based on the Agreement.

In addition, Lessor, its legal representatives and assigns, release the Estate from any and all claims, demands, and causes of action that it had, has or may have against Estate or its assigns, and legal representatives arising out of the herein referenced Agreement.

In witness whereof, Lessor and the Estate have executed this instrument on the date indicated below.

Coeco of Raleigh
("Lessor")

BY: Glenda Werkman

ITS: Sr Collection Analyst

DATED: 11/27/00

Bankruptcy Estate of International Heritage, Inc.
("Lessee")

BY: _____

Holmes Harden
ITS: Trustee

DATED: _____

CERTIFICATE OF SERVICE

I, Holmes P. Harden, do hereby certify that the foregoing Motion for Approval of Compromise and Settlement was served upon all parties of record by mailing a copy thereof to their counsel of record at the addresses indicated below with the proper postage attached and deposited in an official depository under the exclusive care and custody of the United States Postal Service in Raleigh, North Carolina, on the 15th day of February, 2001.

MAUPIN TAYLOR & ELLIS, P.A.

BY: 

Holmes P. Harden

N. C. State Bar No. 9835

Post Office Drawer 19764

Raleigh, NC 27619

Telephone: (919) 981-4000

SERVED:

Marjorie K. Lynch
Bankruptcy Administrator
P. O. Box 3039
Raleigh, NC 27602-3039

Jean W. Boyles
P. O. Box 10506
Raleigh, NC 27605-0506